

Sierra County Economic Forecast

At 5,000 feet in altitude, the Sierra Valley's wide-open ranchland is home to a majority of the county's residents. In January 2003, Sierra County's population was estimated at 3,520, indicating no increase in population from a year ago. It is the second-smallest county in population (second to Alpine County) in the state. By the year 2010, population projections show Sierra County with 3,715 residents, an increase of 5.5 percent over the 2003 population of 3,520.

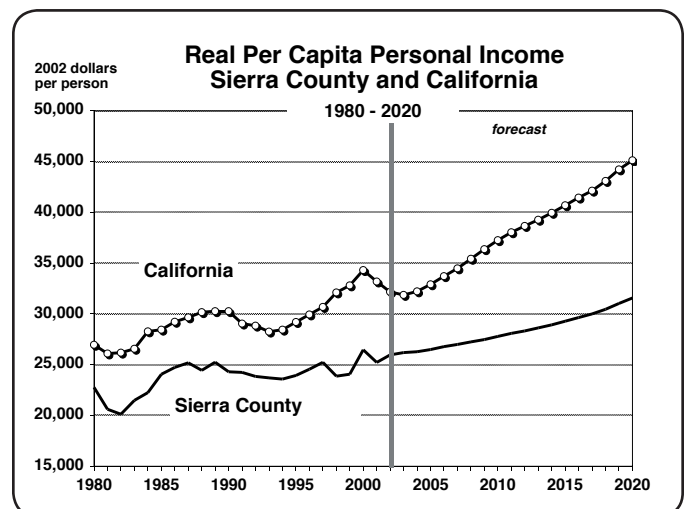
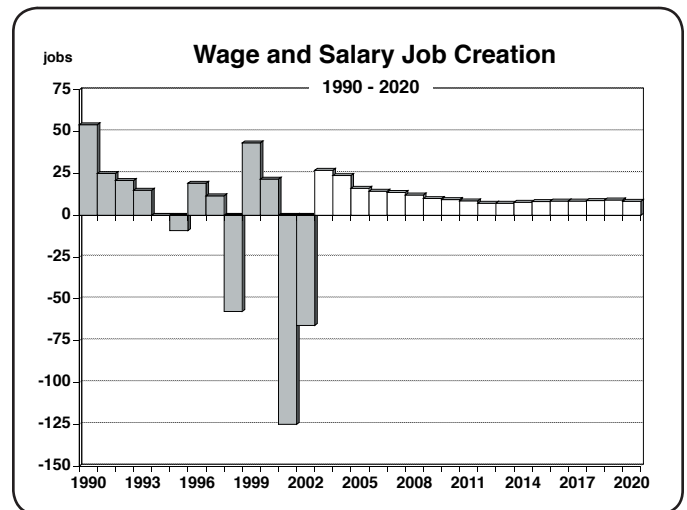
Sierra County's economic base includes government, goods production, and trade. Employment is mostly government related, employing approximately 40 percent of the work force. The goods producing sector (representing the combined industries of manufacturing, construction, and mining) account for 19.3 percent of all jobs. Wholesale and retail trade contributes 11 percent of the total employment. Timber, tourism-related activities, and self-employment make up the balance of the employment opportunities in the county.

Last year, the county lost 65 total wage and salary jobs. In 2003, the county is expected to create between 20 and 30 new positions.

One of Sierra County's largest private employers experienced severe cutbacks in 2000, resulting in substantial layoffs. Although the layoffs have had serious economic effects throughout the closely-knit community, the economy is forecast to gradually rebound over the remainder of the decade. By 2010, nearly 130 new jobs are forecast for the county.

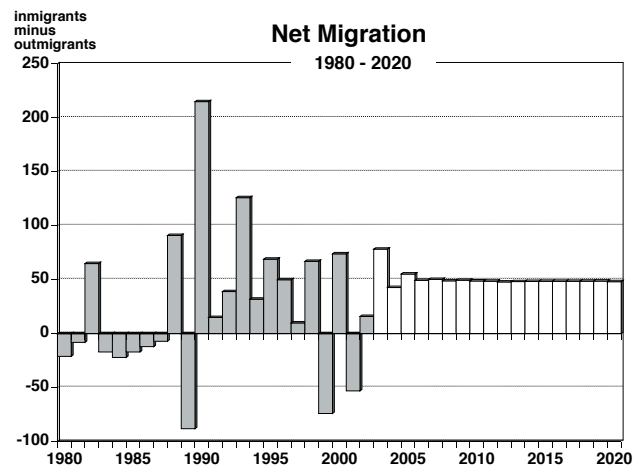
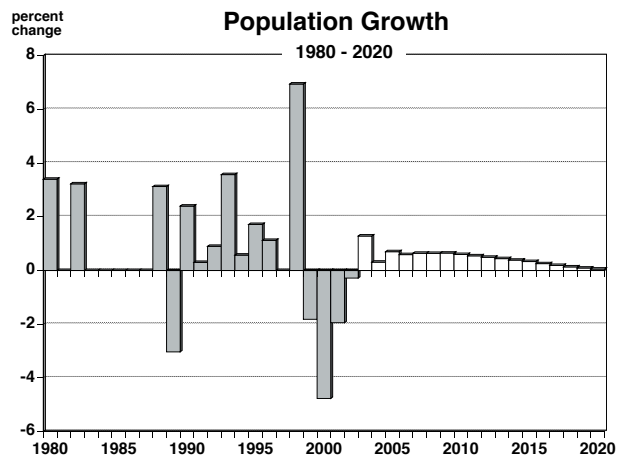
Forecast Highlights

- Total employment rises from 857 to 937 workers, between 2002 and 2008. The principal sectors of growth are government, transportation, and retail trade. The goods producing sector is forecast to create about 40 new jobs.
- Inflation-adjusted per capita income rises an average of 0.8 percent per year over the next 5 years. In 2002, per person average income was \$25,965. The principal component of new income will be transfer payments and non-wage income from assets.
- The number of residential unit permits forecast for the 2003 to 2008 period averages 15 per year, the same as



the number of units built per year between 1997 and 2002 in Sierra County.

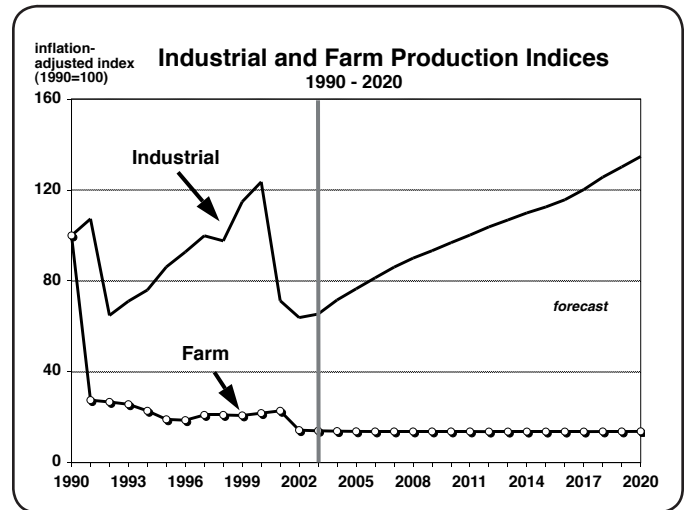
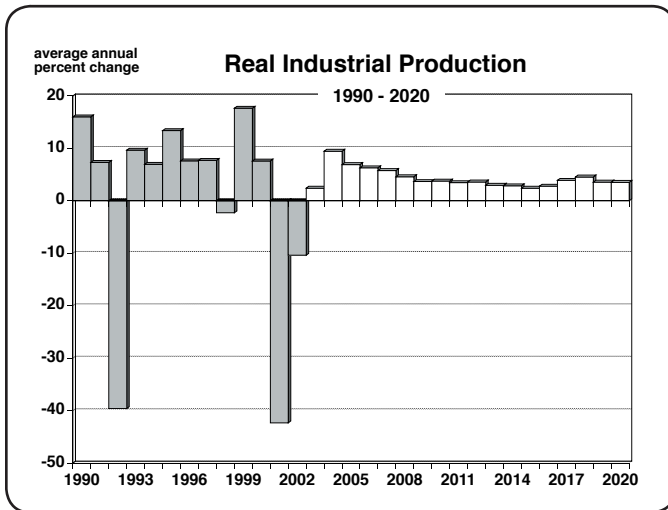
- The unemployment rate declines throughout the forecast period, but remains in the 10 to 11 percent range.
- Population growth accelerates over the next 5 years, averaging 0.6 percent growth per year. This compares to the -0.5 percent average annual growth rate that prevailed between 1997 and 2002. A greater number of births (due to a rising population in the fertile age cohorts) and higher net migration are responsible for the higher rate of population growth projected during the decade.



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1995-2002 History, 2003-2020 Forecast

	July Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Retail Sales (millions)	Personal Income (millions)	Real Per Capita Income (dollars)	Farm Crop Value (millions)	Industrial Production (millions)
1995	3,560	69	4.3	1.4	17	\$7.2	\$66.9	\$23,946	\$4.6	\$26.4
1996	3,600	50	4.4	1.4	16	\$7.3	\$71.0	\$24,550	\$4.6	\$28.4
1997	3,600	10	4.2	1.4	9	\$7.4	\$75.5	\$25,235	\$5.4	\$30.6
1998	3,850	67	4.3	1.4	10	\$7.0	\$78.8	\$23,871	\$5.5	\$29.9
1999	3,780	-74	4.5	1.4	14	\$7.8	\$81.3	\$24,061	\$5.7	\$35.2
2000	3,600	74	4.7	1.5	19	\$8.4	\$89.0	\$26,475	\$6.3	\$37.9
2001	3,530	-53	4.9	1.5	18	\$8.9	\$87.6	\$25,226	\$6.9	\$21.8
2002	3,520	16	4.9	1.5	17	\$10.9	\$91.4	\$25,966	\$4.4	\$19.6
2003	3,565	78	4.9	1.5	15	\$11.7	\$95.7	\$26,191	\$4.4	\$20.0
2004	3,576	43	5.0	1.5	15	\$12.4	\$99.0	\$26,275	\$4.5	\$21.9
2005	3,601	55	5.0	1.5	15	\$12.9	\$103.3	\$26,491	\$4.6	\$23.4
2006	3,623	49	5.1	1.5	15	\$13.5	\$108.0	\$26,784	\$4.7	\$24.9
2007	3,646	50	5.2	1.5	15	\$14.1	\$112.4	\$26,996	\$4.8	\$26.4
2008	3,669	49	5.2	1.5	15	\$14.7	\$117.2	\$27,253	\$4.9	\$27.6
2009	3,693	49	5.2	1.5	15	\$15.3	\$122.0	\$27,481	\$5.1	\$28.6
2010	3,715	49	5.3	1.5	15	\$16.0	\$127.6	\$27,790	\$5.2	\$29.7
2011	3,736	49	5.3	1.5	15	\$16.8	\$133.4	\$28,092	\$5.4	\$30.7
2012	3,754	48	5.4	1.5	15	\$17.5	\$139.1	\$28,326	\$5.5	\$31.8
2013	3,771	48	5.6	1.5	15	\$18.4	\$145.3	\$28,629	\$5.7	\$32.7
2014	3,785	48	5.7	1.5	15	\$19.2	\$151.5	\$28,925	\$5.8	\$33.7
2015	3,798	49	5.8	1.5	15	\$20.1	\$158.0	\$29,281	\$6.0	\$34.5
2016	3,807	49	5.9	1.5	15	\$21.0	\$164.9	\$29,645	\$6.1	\$35.4
2017	3,815	48	6.1	1.5	15	\$22.1	\$172.2	\$30,008	\$6.3	\$36.8
2018	3,820	49	6.2	1.5	15	\$23.1	\$180.0	\$30,461	\$6.5	\$38.5
2019	3,823	49	6.3	1.5	15	\$24.2	\$188.6	\$31,033	\$6.7	\$39.9
2020	3,825	48	6.4	1.5	15	\$25.3	\$197.0	\$31,570	\$6.9	\$41.3



Total Wage & Salary	Farm	Mining, Construction & Manufacturing	Transportation, Utilities	Wholesale, Retail Trade	Finance, Real Estate	Services	Government
-----employment (jobs)-----							
983	0	274	15	137	10	91	456
1,002	0	295	16	118	10	111	453
1,013	0	312	13	125	10	86	468
956	0	297	10	117	10	83	439
999	10	299	10	146	10	83	441
1,021	0	322	10	134	10	98	447
896	0	182	10	118	10	117	460
830	0	160	10	90	10	130	430
857	5	162	10	106	10	132	433
881	5	173	10	109	10	136	437
897	5	181	11	113	10	137	441
911	5	185	13	118	10	137	443
925	5	191	14	121	10	138	446
937	5	196	15	125	10	138	448
947	5	198	16	129	10	139	451
957	5	199	17	133	10	139	454
965	5	200	18	137	10	139	456
972	5	201	19	139	10	139	458
980	5	202	20	142	10	139	461
987	5	203	21	145	10	140	464
996	5	205	22	148	10	140	466
1,004	5	207	23	150	10	140	470
1,013	5	209	24	153	10	140	473
1,022	5	211	25	155	10	141	476
1,031	5	212	26	158	10	141	479
1,039	5	214	27	160	10	141	481

